

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6194

BILL NUMBER: SB 83

DATE PREPARED: Nov 7, 2001

BILL AMENDED:

SUBJECT: Sale of Abandoned Vehicles.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill limits the amount that the Bureau of Motor Vehicles (BMV) may pay for the towing of an abandoned vehicle under normal circumstances to \$100. It permits the BMV to pay claims over \$100 under certain conditions. The bill limits the amount that the BMV may pay for storage of an abandoned vehicle to \$25 per day for a maximum of 30 days. It requires that payment of claims for towing services out of the proceeds of the sale of an abandoned vehicle must be given priority over the payment of other claims. The bill permits the BMV to adopt rules to increase the allowable towing and storage charges.

Effective Date: July 1, 2002.

Explanation of State Expenditures: This proposal increases the maximum amount of money that can be paid by the BMV to towing and storage services. Expenses incurred by the BMV are paid from the Abandoned Vehicle Fund into which all revenue from the sale of abandoned vehicles is deposited. The current rates for the towing of abandoned vehicles under normal circumstances is \$50. The current rate for storage of an abandoned vehicle is \$10 per day.

Explanation of State Revenues: Revenues from the sale of abandoned vehicles has averaged approximately \$628,000 per year over the last six fiscal years and is deposited into the Abandoned Vehicle Fund. At the end of the fiscal year, revenue in excess of \$37,000 is transferred to the Motor Vehicle Highway Account. To the extent that the BMV increases the amount paid for towing and storage, revenues transferred to the Motor Vehicle Highway Account will decrease.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles.

Local Agencies Affected:

Information Sources: Revenue Trial Balance; Bureau of Motor Vehicles.